

KELLAHIN & KELLAHIN
Attorney at Law

W. THOMAS KELLAHIN
706 GONZALES ROAD
SANTA FE, NEW MEXICO 87501

TELEPHONE 505-982-4285
FACSIMILE 505-982-2047
TKELLAHIN@COMCAST.NET

June 19, 2007

HAND DELIVERED

Mr. Mark Fesmire, P.E., Director
Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Case 13971

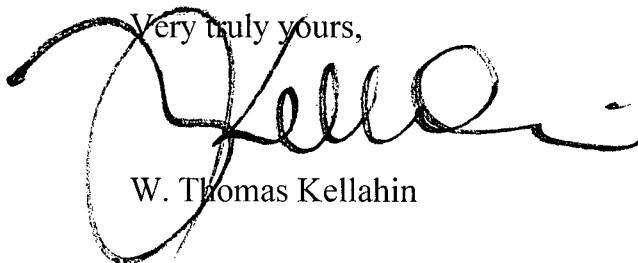
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Re: Application of XTO Energy, Inc. for Simultaneous Dedication and an exception to the well density requirements of the Special Rules and Regulations for the Blanco-Mesaverde Gas Pool to authorize a fifth well within a 409.25 acre non-standard gas proration and spacing unit in Section 19, T29N, R9W, San Juan County, New Mexico

Dear Ms. Fesmire:

On behalf of XTO Energy, Inc., please find enclosed our referenced application which we request be set for hearing on the Examiner's docket now scheduled for August 23, 2007. Also enclosed is our proposed advertisement of this case for the NMOCD docket.

Very truly yours,



W. Thomas Kellahin

cc: XTO Energy, Inc.
Attn: Chris Spencer

CASE 13971: Application of XTO Energy, Inc. for Simultaneous Dedication and an exception to the well density requirements of the Special Rules and Regulations for the Blanco-Mesaverde Gas Pool. Applicant seeks an exception to the well density requirements Rule I.B of this pool and approval for the simultaneous dedication of a fifth producing well to a 409.25 acre non-standard gas proration and spacing unit in the northern 3/4th of Section 19, T29N, R9W, San Juan County, New Mexico. These wells are located approximately 2-1/2 miles southeast of the Blanco, New Mexico.

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**IN THE MATTER OF THE APPLICATION OF
XTO ENERGY, INC. FOR AN EXCEPTION TO
THE WELL DENSITY REQUIREMENTS FOR
THE BLANCO-MESAVERDE GAS POOL AND
SIMULTANEOUS DEDICATION,
SAN JUAN COUNTY, NEW MEXICO.**

CASE NO. 13971

APPLICATION

XTO Energy, Inc. ("XTO") by its attorneys, Kellahin & Kellahin, seeks an exception to the well density requirements of Rule I.B of the Special Rules and Regulations for the Blanco-Mesaverde Gas Pool including Simultaneous Dedication to permit it to drill its Snyder Gas Com B Well No. 001N (API #30-045-34290) in Unit K 1980 feet FSL and 1125 feet FWL and to produce it with the following 4 Mesaverde gas wells in the same non-standard spacing and proration unit consisting 409.25 acres and comprising the upper 3/4th of Section 19, T29N, R9W, NMPM, San Juan County, NM:

In Support, XTO States:

- (1) On December 18, 1957, the Oil Conservation Commission entered Order R-1097 that approved a 409-acre non-standard proration and spacing unit for the Blanco-Mesaverde Gas Pool consisting of the N/2 and N/2S/2 of Section 19, T29N, R9W, San Juan County, NM
- (2) On August 14, 1961, the Oil Conservation Commission entered Order R-2046 that approved numerous non-standard proration and spacing units for the Basin-Dakota Gas Pool include subject 409.25-acre unit.

- (3) XTO, excluding the Snyder Gas Com B-1N (the new wellbore) currently there are 4 existing Mesaverde and 3 Dakota wells:

(a) API Number ULSTR Footages
3004508174 G-19-29N-9W 1750 FNL & 1750FEL
Well Name & Number: SNYDER GAS COM No. 001
Operator: XTO ENERGY, INC----Mesaverde well

(b) 3004512171 G-19-29N-9W 2400 FNL & 1625 FEL
Well Name & Number: SNYDER GAS COM B No. 001
Operator: XTO ENERGY, INC---Dakota well

(c) 3004522792 F-19-29N-9W 2330 FNL & 790 FWL
Well Name & Number: SNYDER GAS COM No. 001A
Operator: XTO ENERGY, INC-----Mesaverde Well

(d) 3004531385 I-19-29N-9W 2200 FSL & 700 FEL
Well Name & Number: SNYDER GAS COM B No. 001F
Operator: XTO ENERGY, INC---Mesaverde & Dakota Well

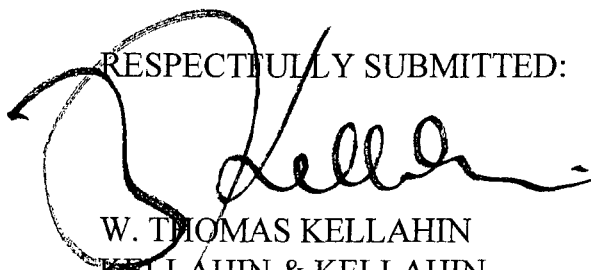
(e) 3004531889 F-19-29N-9W 2100 FNL & 780 FWL
Well Name & Number: SNYDER GAS COM B No. 001M
Operator: XTO ENERGY, INC-----Mesaverde & Dakota Well

- (4) The Blanco-Mesaverde Gas Pool is governed by Special Rules and Regulations which provide for 320-acre spacing and proration units on which as many as four wells may be drilled. See Order R-8170, as superseded by Order R-10987-A, effective February 1, 1999 and amended by Order R-10987-A (1), effective December 2, 2002. This Special Pool Rules and Regulations provide, among other things, that an infill well shall not be located within the same quarter-quarter section (40-acre tract) and another well.
- (5) Using 4 wells to a standard 320-acre unit is an acreage density of one (1) well per 80-acres.
- (6) Because the subject unit contains 409.25 acres, if approved for 5 wells, it will have a density of one (1) well per 81.80 acres.

- (7) XTO proposes to drill its Snyder Gas Com B Well No. 01N at a location within Unit K that appears not to be depleted by existing wells. See locator map, Exhibit "A" attached
- (8) Approval of this application will not impair the correlative rights of any other interest owner in the Blanco-Mesaverde Gas Pool and will afford XTO the opportunity to utilize a new wellbore to produce the reserves from this GPU that would otherwise not be recovered
- (9) Notice of this application will be sent to all offsetting affected persons set forth on Exhibit "B attached.
- (10) Approval of this application will be in the best interests of conversations, the prevention of waste and the protection of correlative rights.

WHEREFORE, XTO Energy, Inc. requests that this application be set for hearing before an Examiner of the Oil Conservation Division on July 12, 2007 and after notice and hearing as required by law, the Division enter its order granting an exception to the well density requirements of Rule I.B of the Special Rules and Regulations of the Blanco-Mesaverde Gas Pool and approving the Snyder Gas Com B Well No. 001N in the Mesaverde formation and authorizing XTO Energy, Inc to simultaneously produced all 5 Mesaverde wells.

RESPECTFULLY SUBMITTED:



W. THOMAS KELLAHIN
KELLAHIN & KELLAHIN
706 Gonzales Road
Santa Fe, New Mexico 87501
(505) 982-4285

Gerk Gas Com B No. 2 and Snyder Gas Cum B No. 1N Notice List

Burlington Resources Oil & Gas Company, LP
P O Box 4289
Farmington NM 87499-0656

ConocoPhillips Company
P O Box 4289
Farmington NM 87499-0656

BP America Production Company
501 Westlake Park Blvd
Houston TX 77079

D. J. Simmons Company
P O Box 1469
Farmington NM 87499

San Juan 1984 Partnership
c/o Smokey Oil Company
P O Box 2360
Casper WY 82602-2360

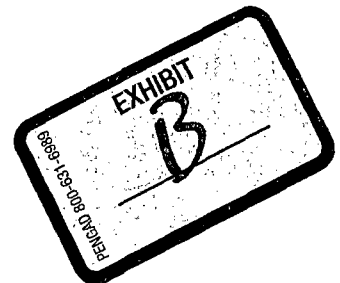
William G. Webb Estate
John G. Taylor, Independent Executor
1401 Elm Street Suite 3435
Dallas TX 75202

Bill L. Bledsoe, Trustee
5615 Netherland Court
Dallas TX 75229

J. Glenn Turner, Jr.
Two Turtle Creek Village
3838 Oak Lawn Suite 1450
Dallas TX 75219

John L. Turner
317 S. Sidney Baker # 400
PMB 285
Kerrville TX 78028

Fred E. Turner
4925 Greenville Ave Ste. 852
Dallas TX 75206-4079



Mary Frances Turner Jr. Trust
PO Box 200890
Houston TX 77216-0890

Betty Turner Calloway
P O Box 191767
Dallas, Texas 75219-1767

Candace L Kelton Cox
17 S Meadow Ridge
Concord MA 01742-3000

Georgia Lee Kelton
5500 Old Clarksville Rd
Paris TX 754627800

Production Gathering Company
8080 N Central Expwy Ste.1090
Dallas TX 75206